



A Guide to Building and Maintaining Michigan Regional Skills Alliances (MiRSAsSM)

Table of Contents

Michigan Regional Skills Alliances (MiRSAsSM)

Background.....	3
What is a Michigan Regional Skills Alliance (MiRSA)?	3
Who Participates in a MiRSA?	4
What do MiRSAs do?.....	4
Benefits of a MiRSA	5
Michigan Regional Skills Alliances in Action.....	6
Developing and Planning a MiRSA.....	7
The Convener	7
Needs Assessment	8
Information on Occupations and Skills	9
Information on Labor Supply	10
Key Partners	11
What are partners' roles?	12
Funding and Sustainability	12
User-Fee System	12
Initiative-Specific Funding	12
Agency Money	13
Foundation Grants	13
Social Venture Programs	13
Technical Assistance	14
Applying for Designation as a MiRSA.....	15
How do I apply for state designation?.....	15

Michigan Regional Skills Alliances (MiRSAsSM)

Background

Michigan Regional Skills Alliances (MiRSA) are part of a larger strategy to develop public/private partnerships that address workforce needs in specific regions and industry clusters. Regionalization is not a trend but a natural progression for government, at all levels, to follow the private sector in delivering higher quality services with reduced resources. The MiRSA initiative was announced by Governor Jennifer Granholm in her State of the State address in January 2004. It is one of many new initiatives embracing a regional philosophy. MiRSAs adopt a sectoral approach to organizing workforce development. Local economies are broken down by key industry sectors and realistic labor markets, to evaluate current and forecasted skill requirements. When a workforce problem common to a group of employers in a key industry within a labor market is identified, a MiRSA is formed to address the issue.

What is a MiRSA?

With employers in the lead, MiRSAs organize existing public and private sector resources and develop new capabilities as necessary. When groups of employers are pulled together to form the hub of a MiRSA, they can identify common issues that may lend themselves to common solutions. The exchange of information in a collaborative environment enables employers to pool resources and clearly communicate with all participants in the workforce system. MiRSAs provide employers the opportunity to work with the workforce system to bring about long-term change.

A MiRSA is a regionally and industry-based partnership among employers, educational institutions, training providers, economic development organizations, and public workforce system agencies. All of these groups come together to plan for and solve workforce problems in an innovative way with a commitment to doing so over the long-term.

- A MiRSA is a vehicle that allows the workforce system to be agile and flexible in responding to the needs of employers in a key regional industry cluster.
- MiRSAs are one tool for workforce development, but by no means the only one. They do not replace workforce boards, One-Stops, education and training providers, or other entities. Instead, they provide a conduit through which those organizations can

MiRSAs are:

- Employer led
- Industry-based
- Regionally focused
- Knowledge-driven
- Strategic workforce partnerships

partner and ensure that their services become more coherent, valuable, and accessible.

- MiRSAs influence resource allocation and service delivery decisions by all participants in a way that is more employer-centered.
- While there are industries of importance statewide, an effective convener can identify industries of regional importance and engage key leaders in those industries.
- Coherent workforce strategy, articulated by a MiRSA, can reveal and foster career paths within and across industries that include jobs at various wage rates and skill levels, benefiting all workers in a region.

Who Participates in a MiRSA?

MiRSA include a range of partners. Dependent on the goals of the MiRSA and the industry served; their make-up is usually a combination of:

- Employers
- Public Workforce System (Michigan Works! Agencies)
- Educational Institutions
- Industry and Trade Associations
- Organized Labor
- Economic Development
- Community-based and Faith Based Organizations
- Local Government Agencies
- Private Foundations

There are no limitations on MiRSA membership. MiRSAs should be extremely flexible and may vary according to the circumstances within the region and industry cluster.

What do MiRSAs do?

MiRSA provides a structured, supported forum in which the human capital problems of an industry cluster can be analyzed and addressed. It helps individual employers address the problems they experience in more systematic ways than they could alone.

MiRSAs :

- Improve opportunities for workers.
- Coordinate workforce services to industry clusters.
- Strengthen key industries across the state.

Typically, a MiRSA will take on most or all of the following generic functions, although *how* they are carried out varies widely across the state:

- Works with employers and partners to identify and refine their understanding of the workforce challenges within the industry cluster.
- Draws on industry associations, community colleges and local workforce agencies for access to information about industry trends and changing skill needs.
- Identifies top priority challenges that lend themselves to cross-employer solutions. These challenges might involve skill gaps, worker shortages, an aging workforce, quality deficiencies, regulatory problems, labor/ management issues, or a wide range of other possibilities.
- Develops specific, customized solutions that employers and partners embrace.
- Creates strategies and funding streams for implementing solutions.
- Implements the solutions, analyzes their effectiveness, and adapts to new information.

Benefits of a MiRSA

Industries that devise ways of constantly upgrading the skills of their workers are far more likely to remain competitive and healthy than those that do not. As industries in a region prosper, they tend to attract suppliers who benefit from the proximity to their customers and similar businesses that benefit from the availability of skilled workers. The results of effective MiRSAs can be:

- **Improved business climate in Michigan.** Current employers who participate see the Michigan business climate as more friendly and supportive, an important consideration in retaining the state's employment base.
- **Increased competitiveness.** Through improved business performance, the competitiveness of the targeted industry cluster within the region increases.
- **Attraction of more employers.** Improved industries will attract other employers in the industry and supplier firms to the region.
- **A better workforce system.** A more coherent and responsive system of workforce and economic development that is of value to employers.

Michigan Regional Skills Alliances in Action

For the construction industry in the Capital Area, the problem was bringing employable young people into the trades. For utility companies in the Upper Peninsula, it was developing replacement workers for an aging workforce and, for a hospital in northern Michigan; it was developing the workforce in their community. While these are three very different issues, they have one common solution—forming a Michigan Regional Skills Alliance.

Progress Through Knowledge: A Knowledge Economy Skills Alliance for Kalkaska County

Kalkaska Memorial Health Center, the largest employer in rural Kalkaska County, helped establish the Progress Through Knowledge MiRSA in 2005. Because Kalkaska County suffered from low wages, low educational attainment, and high unemployment, the short-term objective of the MiRSA was to upgrade the skills of current employees and develop basic academic skills for adults. The long-term goal is to increase the number of residents with educational credentials.

However, the lack of local post secondary educational facilities presented a major obstacle to the plan. To address this issue, the MiRSA developed a strategy to bring in regional educational providers to offer classes at locations throughout the county.

Kalkaska Memorial Health Center assists with marketing and provides health care courses. The health care provider also lends credibility to the MiRSA because of its strong standing in the community.

“In order for a community to grow stronger it needs more jobs,” said Jim Austin. “In order to fill those jobs, people are needed who can add value in a knowledge-based economy.” Hospital administrator, Jim Austin, is a member of the MiRSA Steering Committee. He is very supportive of the program and believes in investing in workforce development.

The Health Center’s commitment to the MiRSA has already paid off. A basic health care class was offered through another partner, Community Services Network. The class introduced health care careers to those interested in certified nurses assistant (CNA) certification or nursing. It provided students with hands-on clinical experience with patients. According to Austin, the class strengthened the skills of several individuals enough for them to qualify for the CNA program at Kalkaska Memorial Health Center.

Austin is pleased with his Health Center’s participation in the MiRSA and notes, “MiRSAs are a great way for government to work with business; they fill a gap in training needs. As businesses work hard to survive, they may not have the funds to conduct the kind of cutting-edge training that a Regional Skills Alliance can provide.”

To see other MiRSAs in action, go to the MiRSA website

<http://www.michigan.gov/rsa>

Traits of Successful MiRSAs:

The MiRSA staff met with Conveners, Partners, and Employers from the original 12 MiRSAs between December 2006 and mid-February 2007. The purpose of the meetings was to see how the MiRSA initiative was working from the grantees point of view, look for ways the state can better support the MiRSAs, and listen to suggestions for future grantees. A summary report was prepared titled “ Report on Site Visits made to the Original Grantees Prepared for Participants”.

There are several traits that successful MiRSAs appear to have in common:

- Identification of a galvanizing issue - Usually a workforce issue that brought a group together to work on an ad hoc basis prior to applying for a grant.
- An employer champion - A person representing a significant employer in the industry sector and within the geographic region that understands the issue and is willing to articulate it to their peers.
- A convener that adds value, by adding expertise and a personal network that compliments that of employers.
- A dedicated staff person -who has a rapport with employers
- A flexible structure - allowing the MiRSA to best serve employers.
- MiRSA participants with a strong understanding of the concept - Employers participants that know they are part of a collaborative group that directly benefits them.
- Annual strategic planning - with agreed upon specific and measurable goals.

The MiRSA model is not appropriate for all situations and there are pitfalls to watch out for:

- Lack of a galvanizing issue
- A perceived benefit - Employers participate because there is a direct and real benefit to them, not a perceived benefit.
- Unless there is strong commitments upfront, most successful MiRSA do not organize around a pay for service model.
- Broadly defined issues - successful MiRSAs are focused and achieve specific goals.
- Staff support - Lack of a dedicated individual can stretch partners too thin.
- Multiple conveners can be a problem - successful MiRSAs are employer led.
- A lack of clear leadership - the MiRSA tends to be less focused and goal oriented.
- Lack of or weak strategic planning - can lead to stagnation, a lack of accomplishing goals and eventually the lack of interest by employers.

The detailed report “Report on Site Visits made to the Original Grantees Prepared for Participants” can be found at the following link:

http://michigan.gov/documents/rsa/Site_Visit_Participants_-_Report3_201134_7.pdf

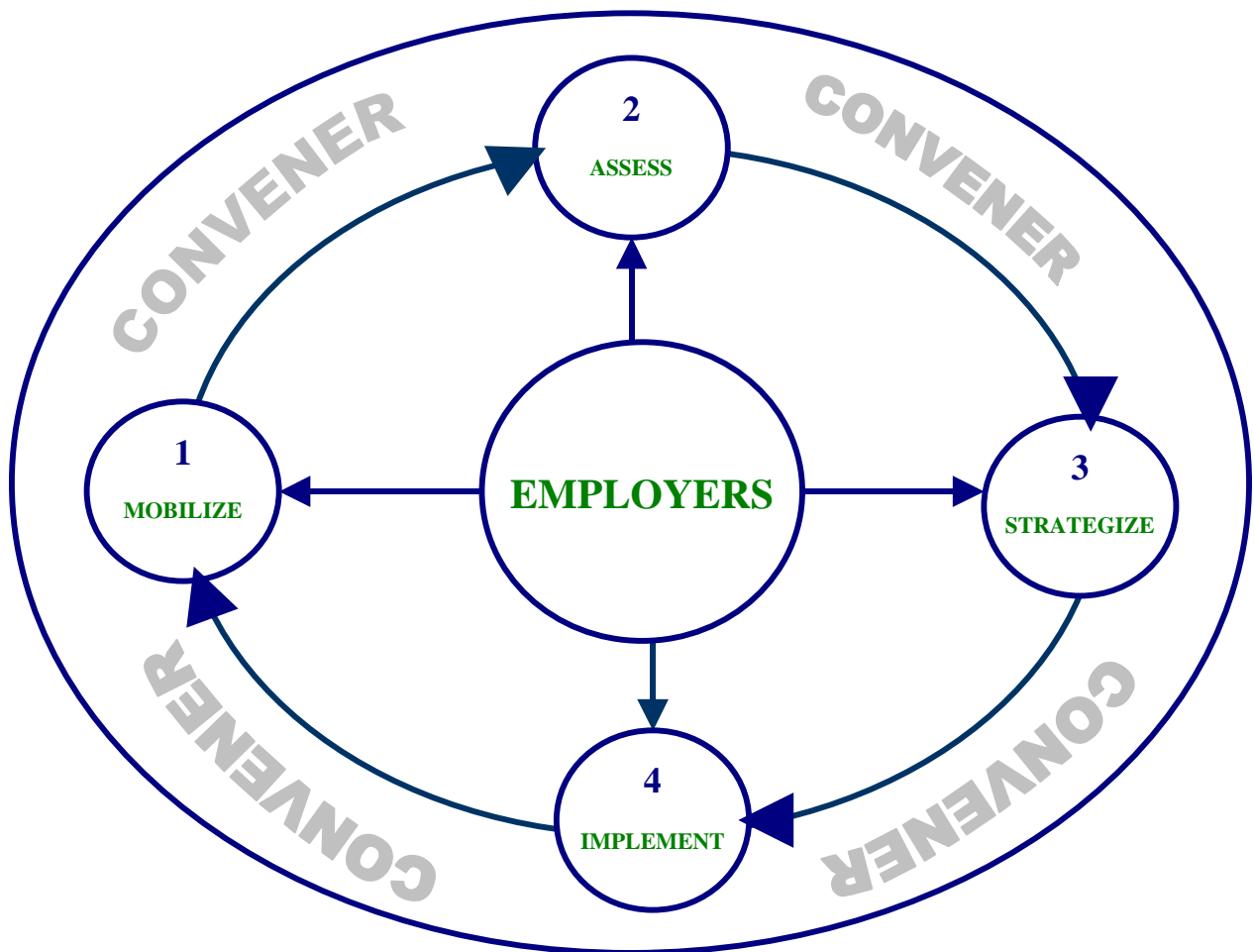
Developing and Planning a MiRSA

The Convener

A Convener has expertise in the industry sector and workforce issues and acts as an organizer of the alliance. Conveners of MiRSAs should be key players in the community who have a role in solving the workforce needs of the industry cluster and addressing the need for good jobs for community residents. Conveners come in many types; they can include industry associations, labor organizations, workforce boards, community colleges or nonprofit organizations. A Convener is not typically a single employer.

The role of the Convener is *not* to chart the course of the MiRSA. Instead, the Convener acts as a facilitator to mobilize the appropriate partners and provide a forum for beginning and maintaining a discussion of workforce needs and solutions.

The following diagram demonstrates the facilitating role of the Convener:



The convening organization facilitates the development of the MiRSA and expedites the overall process:

- Analyzes the region's workforce and economy.
- Determines which current emerging industries are key to the present and future economies of the region.
- Identifies the broad workforce challenges that may be affecting those key industries.
- Uses the results of its analyses, conducts market studies and recruitment among employers and other potential partners to determine interest in forming a MiRSA.

Conveners Role:

- Mobilize
- Assess
- Strategize
- Implement

Needs Assessment

Performing a needs assessment is the first step in developing a strategy to address workforce issues within an industry and region. The needs assessment typically consists of reviewing existing information and gathering new information through various means such as surveying and interviewing. The most effective assessment usually includes a combination of qualitative and quantitative data gathering methods.

Primarily using labor market information, one of the first steps in developing a plan for a MiRSA is to research the chosen industry at both the state and regional level. The Office of Labor Market Information & Strategic Initiatives within the Department of Labor & Economic Growth (DLEG) produces a substantial volume of data on regional economies and labor markets. The following primary sources of information and support are available from the State of Michigan:

1. Regional Profile for Industry Targeting
2. Information on Occupations and Skills
3. Information on Labor

In addition to the resources available from the state, information is available locally from employers and other major regional players. Qualitative information from the MiRSA partners is often very useful in completing the needs assessment and can fill in many gaps not addressed by government data sources.

Skills Partnership Self-Assessment Rating Sheet

This rating system was developed by Public Policy Associates. It can be incorporated as a tool to help practitioners examine their local/regional area's current capacity and ability to establish and operate regional skills partnerships. The rating sheet describes various factors whose presence has been shown to be associated with effective institution building, planning, and implementation activities that lead to successful

outcomes. The factors are consistent with best practices identified in a national evaluation of approximately 80 sectoral and incumbent-worker demonstration projects. The assessment can be found through the following link:

[Skills Partnership Self- Assessment Rating Sheet](#) or this web address:

http://www.michigan.gov/documents/SPSAT_99403_7.pdf

Information on Occupations and Skills

Information on occupations and skills is important because it will help identify significant regional occupations and expected growth jobs in the future.

Information on occupations is available from a number of sources:

- State and regional employment levels by detailed occupation: www.milmi.org/
- State and regional occupational forecasts (job outlook): www.milmi.org/
- National occupational forecasts: www.bls.gov/emp/home.htm
- National industry staffing patterns: www.bls.gov/oes/home.htm

At the Labor Market Information website you can access average wage data for occupations in Michigan and its metro-areas. National averages are posted at the Bureau of Labor Statistics website. The national occupational wages can also be drilled down to display wages for the same job title in different industries.

Wage data for specific occupations can be found at America's Career InfoNet website. Wages are listed for the 10th through the 90th percentiles and are also available for Michigan, its metro-areas and regions, and the nation.

Information on occupational wages can be found on the following websites:

- State and regional averages: www.milmi.org/
- National: www.bls.gov/oes/home.htm
- National, state and regional percentile groups (America's Career InfoNet): www.acinet.org

In addition to wages, significant information on required skills for specific occupations is available on the Occupation Information Network - O*Net system. O*Net is a skills-based Occupation Information Network that offers assessment tools for career exploration and contains many other useful features and resources. It is a comprehensive database of occupational characteristics and requirements featuring knowledge, skills and abilities, and specific job tasks. Users can search by occupation to determine necessary skills or in reverse by selecting skills and determining occupations that utilize those skills.

- Information available online at <http://online.onetcenter.org> includes:
- Skills-based occupational information network
- Comprehensive database of job characteristics and requirements
- Knowledge required
- Skills and abilities
- Specific job tasks

Additional information is also available at Michigan's Bureau of Labor Market Information & Strategic Initiatives website, including more specific data on industry jobs, current employment statistics, company contact data, information on labor supply, and data on special target population groups.

On the Michigan Bureau of Labor Market Information & Strategic Initiatives website you will find:

- Industry jobs (online at www.milmi.org/)
 - Current Employment Statistics (CES)
 - Monthly estimates for Michigan and metropolitan statistical areas (MSAs)
 - Jobs, hours, and earnings data by industry
- Quarterly Census of Employment and Wages (ES-202)
 - Quarterly estimates for Michigan, MSAs, regions and counties
 - Number of establishments, jobs, and average weekly wages
 - Industry forecasts
- Employer locator (regional database)
 - Locate company by city within a specific industry
 - Locate company by city employing a specific occupation

National information is available at the U.S. Bureau of Labor Statistics:
www.bls.gov/emp/home.htm

Information on Labor Supply

The Michigan Bureau of Labor Market Information & Strategic Initiatives website also provides information about current and future state and regional labor supply. This includes measures of the size of the regional labor force, number of unemployed residents, and characteristics of job applicants to the Michigan Talent Bank system. There is also information available on educational attainment of applicants and Michigan residents more generally.

The following are available at www.michlmi.org:

- Total labor force and number of unemployed job seekers (county/city unemployment)
- Regional job applicant characteristics (Talent Bank profiles)
- Survey of Labor Supply for Michigan Critical Occupations

In addition, these sites offer information on program enrollments and degrees awarded:

High schools: <https://oeaa.state.mi.us/ayp/>

- Community colleges: www.michigancc.net

- Colleges and universities:
<http://www.michiganbusiness.us/index.php?nic=college>

Information is also available about target populations, including how to assess and overcome specific barriers. Special target populations include low-income job seekers, disabled workers, displaced workers, and workers in need of support services. This information can be found on the following websites:

- Annual Planning Information Report: www.michlmi.org
- U.S. Census Bureau: www.census.gov

Finally, there is a wealth of general economic and labor market information available on the web. Good places to start include:

- Bureau of Labor Statistics (BLS): www.bls.gov
- Federal statistics (FedStats): www.fedstats.gov
- Bureau of Economic Analysis (BEA): www.bea.gov

Key Partners

- **Employers.** Because the MiRSA is built around the workforce needs of employers, the majority of partners should be businesses engaged in the targeted industry.
- **Public Workforce System (Michigan Works!).** The public workforce system should be actively involved to seamlessly bring together private enterprise and public resources.
- **Training and Educational Institutions.** Educational institutions are responsible for providing training for the current and future workforce making them an important partner. Representatives may be included from local or regional community colleges, universities or the public K-12 school system. In addition to the formal education system, the Convener should try to engage any relevant private sector training providers.
- **Industry and Trade Associations.** Trade Associations bring significant resources and expertise to the table and should be engaged early in the process.
- **Organized Labor.** Organized labor can have significant influence on training and worker recruitment.
- **Economic Development.** It is important to have regional economic development organizations involved to help locate resources, access government information, and coordinate a variety of regional initiatives.
- **Community-based and Faith Based Organizations.** Community-based or private organizations should be brought in as appropriate.
- **Local Government Agencies.**
- **Private Foundations.** Often private foundations have programs and funding available for targeted populations.

What are partners' roles?

Participation by partners is key to the success of the MiRSA. Partners are expected to:

- Actively participate in the planning and marketing of the MiRSA concept and mission within the region.
- Support the MiRSA with financial and in-kind contributions.
- Assume roles and responsibilities aligned with their area of expertise.

Funding and Sustainability

Most sector initiatives use a combination of several sources of funding to carry out their missions. Initial costs for a MiRSA are shared among partners and depend on the early work that the MiRSA will do. The largest ongoing expense is usually for the individual who manages the partnership. Partners should discuss funding from the outset.

User-Fee System

One method to support ongoing MiRSA activities is to institute a user-fee system for employer services. Some MiRSAs will try to subsidize services such as training with government funds, but the employer still needs to pay for a portion of the service. Other services such as business consulting or assessment may be offered at market price.

Initiative-Specific Funding

Another approach to developing diverse funding streams is to seek initiative or strategy related funding. In other words, if your MiRSA offers a variety of services including training, worker support services, employer or business retention services or career path charting and recruiting, you can seek different sources of funding for each of these initiatives. Possible sources by strategy are:

- **Training.** Foundations, Workforce Investment Act (WIA), Temporary Assistance for Needy Families (TANF), Michigan Department of Labor & Economic Growth, state incumbent worker funds, Community Development Block Grants (CDBG).
- **Support Services.** Corporate, U.S. Department of Labor (USDOL), WIA, Michigan Department of Human Services.
- **Business Retention/Employer Services.** WIA (state and federal) Department of Education, City/Enterprise Zone.
- **Career Path.** TANF, CDBG, State Welfare funds, Fee-for-Service dollars.

Agency Money

Finally, sector initiatives can get funding from the federal government or foundations interested in promoting sector workforce organization. Aside from sector-based grants, there are also more specific demonstration grants available from the USDOL focused on incumbent or dislocated workforce training or targeting specific high-growth industries.

Foundation Grants

Foundation grants are the most common non-governmental source of funding for nonprofits. The Foundation Center's *Directory of Foundations* identifies national foundations and the types of programs they sponsor. <http://fdncenter.org/>

- **Statewide or regional grant makers associations.** Most states and regions have networks of grant makers, including private foundations and organizations like United Way, that meet monthly to share ideas about grant making and about community needs. <http://www.mcf.org/mcf/links/regional.htm>
- **University programs that specialize in non-profit management.** Often these programs not only provide technical assistance to grant seekers (at reduced cost), but also are connected to the grant making community in ways that generate otherwise hard-to-uncover intelligence about the private funding community.

Social Venture Programs

In recent years, grant making using the venture capital model common in the private sector has begun to catch on in the non-profit world, alternatively called social enterprise or social venture investing.

A number of organizations and networks have emerged to support this approach to grant making over the last several years.

For more information on social venture funding, grant making, and networking organizations, see:

<http://philanthropy.com/free/articles/v12/i16/16001001.htm>

http://www.svpseattle.org/resources/Resources_Venture_Philanthropy.htm

Technical Assistance

What type of technical assistance is available?

- Informational Webinars
- Access to Events (i.e., conferences, learning institutes)
- Individual MiRSA Marketing Plan
- Funding Announcements
- Statewide and National Marketing Tool

Applying for Designation as a MiRSA

How do I apply for state designation?

The State of Michigan, through the Department of Labor & Economic Growth/Bureau of Workforce Programs issues a Request for Proposal (RFP) on an annual basis. The RFP is available on the Michigan Regional Skills Alliance website <http://www.michigan.gov/rsa>. Unsolicited proposal may be accepted throughout the year.